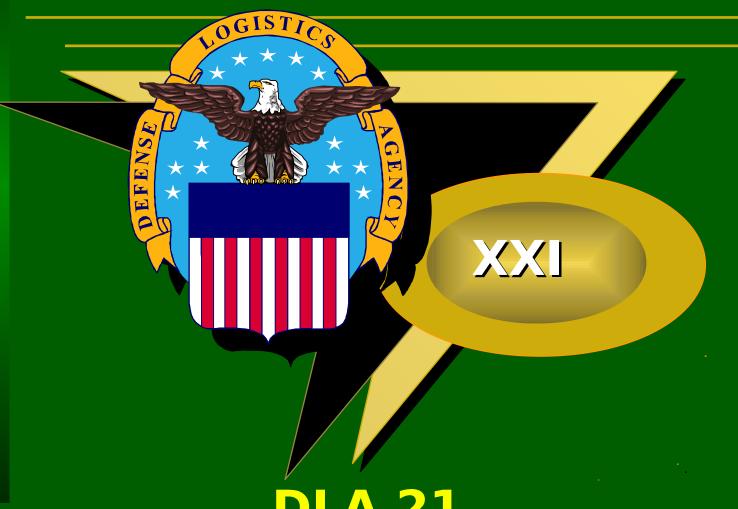
DIRECTOR'S QUARTERLY WORKFORCE BRIEFING



DLA 21 February 28, 2000



Topics

•DLA 21

DCMC/DTRA Relocation

Questions/
 Audience response cards



Strategic Plan 2000...DLA 21



DLA 21...What Is It? A Blueprint for Change

A Glimpse of the Future: Joint Vision 2010

- Strategic Environment
- Conceptual Notions
- Logistical Implications for DoD
- Logistical Enablers









Strategic Plan

- → Review Service/CINC Transformation Plans
- **Conduct Gap Analysis**
- Develop Agency Vision
- **□** Focus on Greatest Payoff Areas
- ID Goals & Objectives Required to
- **Achieve Vision**
- Codify; Prioritize
- Establish Measurement

Criteria/System

Stakeholders & Stockho





A Continuum of Change

1997 2005

2010

202 Glorkforce



A Glimpse of the Future: Joint Vision 2010



- **★ More Joint / Multinational Operations**
- Information & Technological Advances Will Revolutionize Warfare
- ☐ No Near Term Potential Adversaries; State-To-State Relations are Norm
- Operational Environment Will Range From Peacekeeping & Disaster Relief to Major Regional Contingencies
- Changing Nature of War: A Revolution in Military Affairs
- Asymmetrical Force on Non-Linear Battlefield Fought in Multiple Locations; Positional Advantage
- ✓ Decisive Speed & Tempo; All Weather; Day & Night
- Information Superiority; Near Real-Time
- Dominant Maneuver: Across the Range of Military Operations
- ☐ Mobility & Agility
- Precision Engagement: Responsive & Accurate From Extended Ranges

Changing Nature of Logistics: A Revolution in Military Logistics

- Focused Logistics: Precise Application of Logistics
- **Rapid Integrated Response & Distribution**
- ☐ Total Asset & Intransit Visibility; Information Fusion 5-Workforce





What Are the Warfighter Needs?

World-wide time definite delivery Assured, real time logistical

istematian

- Web based; secure Planning, modeling, simulation capability

awareness

Single site.
Single point of contact for customer se

Logistics response; not inventory

- Surge capacity
- No backorders
- Strategic packaging
- **Electronic commerc**
- **Acquisition** agility



- Reach back/pulse capability
 - **Quickly deployable**

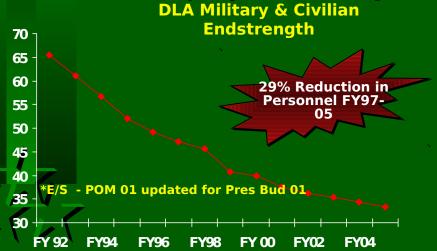
- **IForward presence**
- **Less cost for support & services**
- **Quality products**
- Confidence in delivery of right items, right time, right place, right price, every time 6-Workforce





Joint Meritorious Unit Awards 11/95-1/98:

- DCMD International, CAS to Forward Deployed Forces
 11/95-1/98: DLA Europe,
- Logistical Support to Operations
 JOINT ENDEAVOR/GUARD
- 11/96-2/99: Defense Logistics Agency, Business Process Reengineering and Support to Forward Deployed Military Forces





54 Hammer Awards

- 40 from 1996-98
- 5 in 1999
- 15 Reinvention Labs







The "Leader" For Today May Not Be The "Leader" **Tomorrow**

■ If You Are On Top, You Are The Underdog

Retailing Example







Wal-Mart - 90's





Why Change? History shows us



Why Change?



1990	1993	1996	1999
Functional Stovepipes	Integrated commodity business unit	-	Supply chain management
Low bid	Best value, long term contracts	Best value, long (term contracts	Corporate contracts
Inventory in DLA warehouses	Direct Vendor Delivery (DVD)	DVD, just-in-time inventory	DVD, vendor managed inventory
Paper	Electronic commerce	DLA EMALL	DoD EMALL
1970's business system	•Government programn	new't modified Co	Off Solution to COTS

CONUS based wholesaler **Organic workforce**

Mainframe systems Stovepipe

business processes

Military Specifications Spec busting

Management of Suppl

Worldwide

PC based stand alone **Business Process** Reengineering with infusion of EC/EDI

Forward presence Forward presence &

Core/non-core stud@ompetitive sourcing **PC/midtier**

integration **Hybrid**

Commercial item descriptions forward deployed Web based applications

Integrated business processes

Broad commercial applications

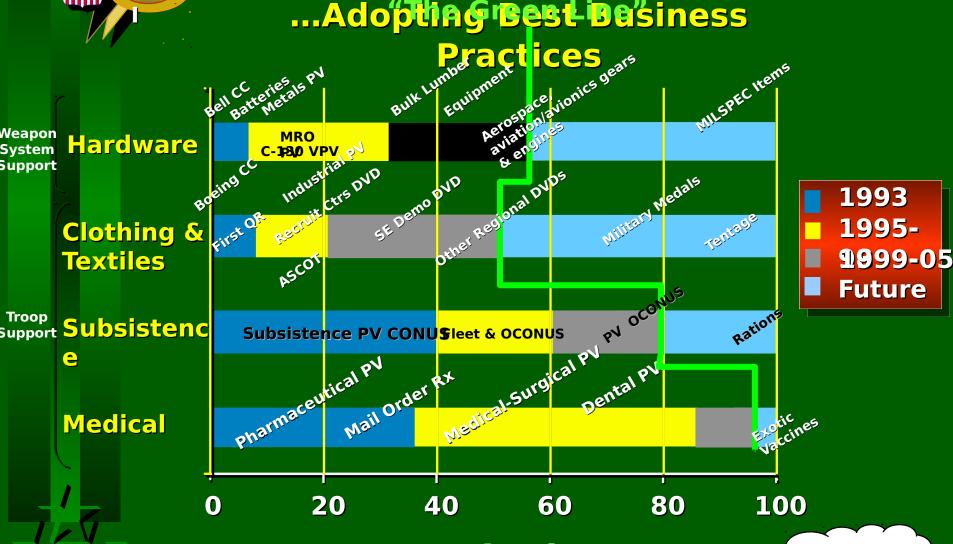
Management of Relationship

Change has always been a positive part of D 10-Workforce



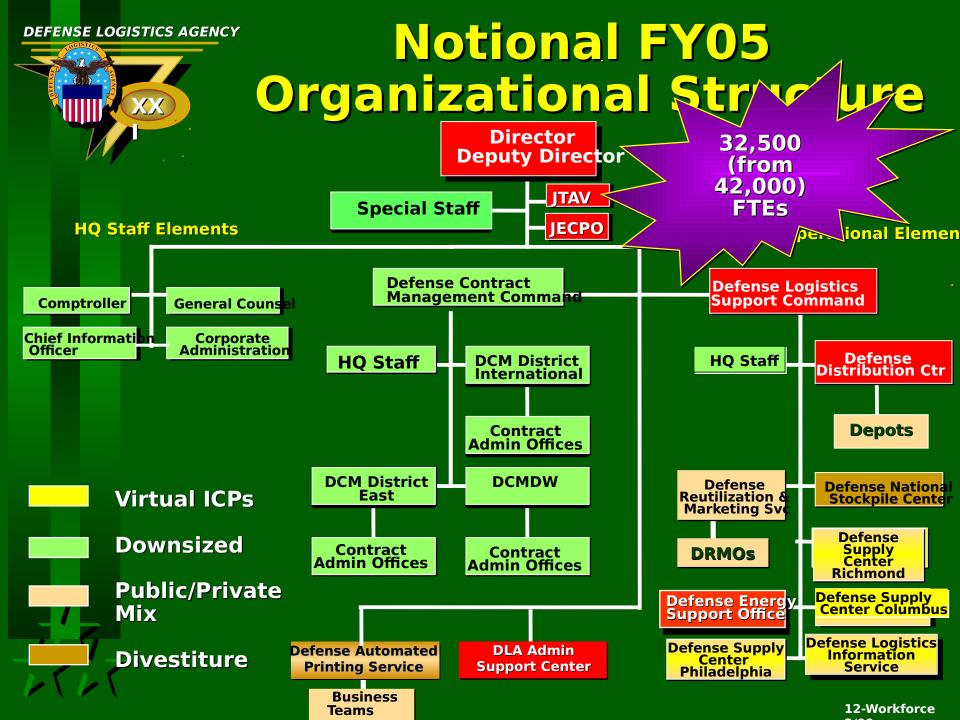
Shift to Commercial Practices

...Adopting rest basiness



% of Sales





DEFENSE LOGISTICS AGENCY



Current DLA POM (FY2001-FY2005) Initiatives with Organization/Manpower Impacts

- Establishment of Human Resources Operations Center (HROC)
- Disestablishment of DLA Systems Design Center (DSDC)
- Defense Automated Printing Service (DAPS) Study
- Defense National Stockpile Center Downsizing
- Defense Depots A-76
- DRMO A-76/Commercial Venture
- Various Distribution Depot Workload Optimizations
- DISC/DSCP Merger
- Virtual ICP
- Shift to Commercial Practices





We know future environment
We know warfighter needs
We know our current capabilities & what is planned in the POM
But we need more....

We need a Strategic Plan - to take a holistic look at DLA & its logistical processes to determine how to continue the transformation of DLA into a more agile, relevant logistics combat support agency able to provide the support & services demanded by the Joint Vision 2010 warfighter



Strategic Plan 2000.

DLA 21

Our Vision
Right Item, Right Time,
Right Place, Right Price,
Every Time...Best Value
So Our Values



Our Strategic Goals:

- 1. Consistently provide responsive, best value supplies and services to our customers.
- 2. Reduce costs--improve efficiency--increase effectiveness
- 3. Ensure our workforce is enabled to deliver and sustain world class performance.

- 1. People
- 2. Service
- 3.

Excellence

4.

Integrity

5.

Innovation

Our Core Competencies

- 1. Customer Knowledge
- 2. Logistics Information Management
- 3. Integrated Combat Logistics Solutions
- 4. Rapid Worldwide Response
- 5. Single Face to Industry

But There's More



DLA Customer Bill of Rights

What warfighters should expect and demand from DLA. What DLA will do to meet our commitment to the warfighter.

Right Focus:

DLA will perform as an integral part of the warfighting team.

- Supporting weapons systems readiness
- Providing exceptional customer service
 - Projecting a forward presence

Right Time:

DLA will provide fast and reliable support to the warfighter.

- Improving logistics response time
- Making great support arrangements
- Providing tailored logistics support
 - Filling backorders quickly

Right Product:

DLA will provide the right items and services to the warfighter.

- Ensuring product quality and conformance
- Making sure the right items are available to the customer
 - Minimizing and correcting discrepancies



DLA Customer Bill of Rights "Continued"

What warfighters should expect and demand from DLA. What DLA will do to meet our commitment to the warfighter.

Right Price:

DLA will provide best value products and services. **Reducing infrastructure** Minimizing customer price change Using excess and reusing disposal assets **Buying smartly**

Right Measures:

DLA will use customer driven measures of success. Reviewing progress against corporate customer goals and operational objectives

Using measures preferred by the customer Contracting for the right level of performance in services



Strategic Plan 2000...DLA21 "High Payoff Areas"

Business Systems **1odernization**

Strategic Plan 2000
DLA 21

Our Vision
Repairent appliance
from place deplaces.
Everytime. Everytime abolisms
ONE TEAM...ONE FOCUS
ROLYD THE CLOCK, AROUND THE WORLD

Customer Knowledg e/Focus

Strategic Sourcing

Workforce Development

Organizational Redesign

t Item, Right Time, Right Place, Right Price, Every Tir Best Value Solutions for America's Warfighters



Strategic Plan 2000...DLA21 "High Payoff Areas"

Business Systems

Mantenpraser Resource Planning

- Replace legacy systems with robust COTS
- Shift to commerciaI practices
- Virtual applications

Technolog v insertion

Strategic Sourcing

- Shift to commercial practices
- ✓ Prime Vendor, VPV, DVD
- Best value sourcing
- Acquisition Reform
- Strategic supplier alliances
- Supply chain solutions
- Corporate , long term

Customer Knowledge /Focus

- Forward presence
- ✓Partnershi
- On-siteReps
- LeadCenters
- VirtualCall Center
- Tailored support
- StockPositioning
- Single point of contact

Organization Redesign

- Restructure for logistics transformation
- ✓Virtual Enterprise
- Focus on supply chain mgt
- Informationn is a commodity
- **∨**Business process driven

Workforce Development

- Recruitment, retention, training
- Training for multi-skilled personnel
- Knowledge management
- Teaming



Preparing for the Future

What Does the DLA Strategic Plan Do?

- * Right focus
 - Ties DoD goals and direction to the workplace
- Right size
 - Major infrastructure changes
- Right enablers
 - Business process change
 - Smaller, multi-skilled trained workfor
 - Acquisition Reform
 - Partnerships with customers and industry
 - IT
- Linked To POM & performance contract







The DLA Story:

The Value Proposition

"...to ensure warfighters are never logistically

83% of Requisitions Drep

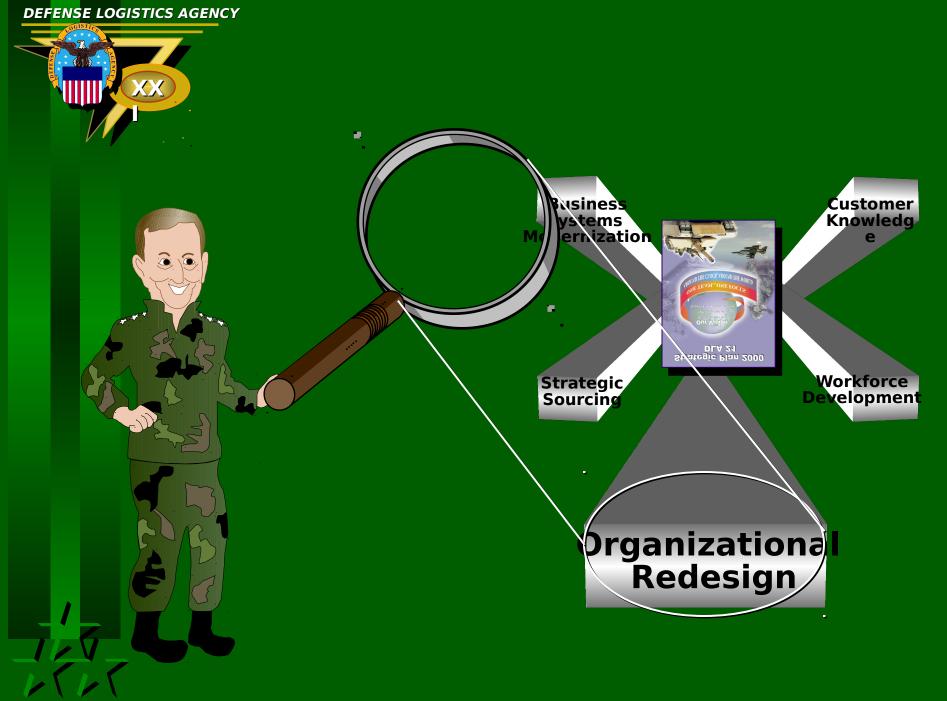
90% of Repair Parts

100% of Fuel & Package Petroleum

100% of Clothing/ Medical/Food

100% of Distribution

DoD's Contract Manager





DLA 21 Steering Group

RADM Chamberlin Deputy Director

RADM Archer Deputy Director

Mr. Thurber Corporate Administration

COL Stormer Comptroller

Mr. Baird General Counsel

CAPT Case Chief Information Office

Dr. Bailey Document Automation &

Service

Mr. Jones DLSC

Mr. Brunk DCMC

Col Kozak Director's Staff Group

CAPT Boyd Director's Staff Group

4 Feb 99 First Meeting

Production

14 Jul 99 Group Report Due Date

9 Feb 00 Results Announced

Planned

Actual





Assessment...Current Organization



management functions in 21st Century.



DLA 21 Precepts

Not a Downsizing

- ✓ Support to the warfighter is our focus
- ✓ Information both a DLA commodity and an enabler
- "Owner" of a corporate capability held accountable to the whole corporation for effective support to the whole Agency
- "Virtual" defined.....
 - ✓Resources/FTEs remain on local command rolls and payroll. Evaluation follows chain of command
 - Personnel remain in local union
 - ✓ Professional direction (policy and operational guidelines) provided by corporate office
- **✓** We are committed to business systems modernization
- Those required, by program or regulation, to have direct access to the Director, will continue to have access, regardless of organization placement.

Think Corporate!

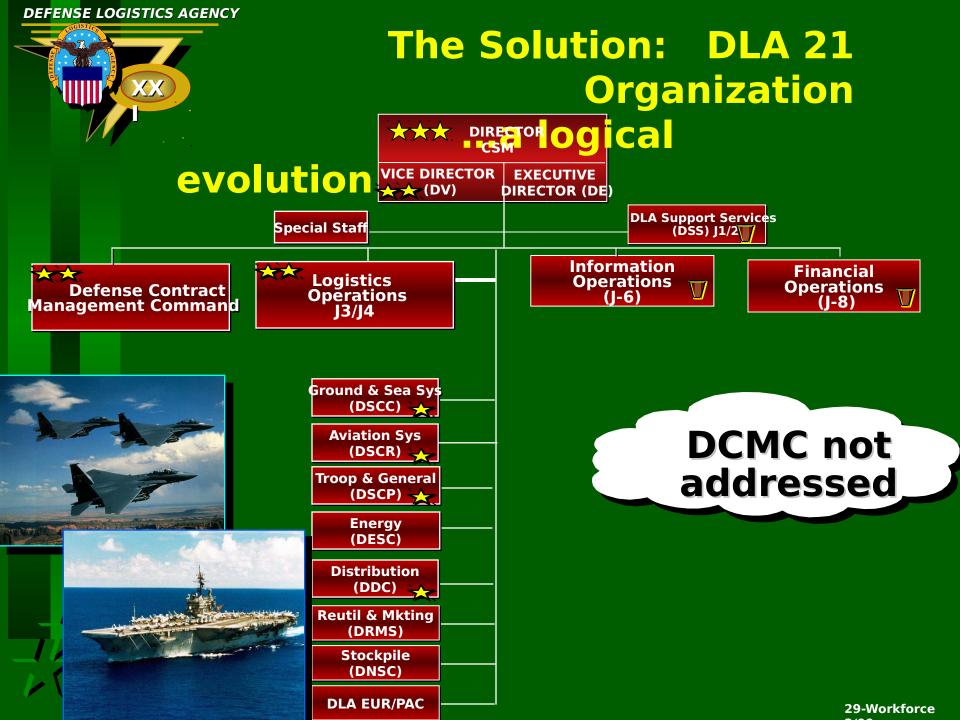
Management and Process changes HQ Roles

- **★**Corporate plans and strategies
- Interface with OSD & Congress
- Resourcing plan and obtain resources
- Corporate standards for business processes
- Develop & monitor metrics...match expectations with corporate standards
- Build POM & business plan
- Establish standards and metrics with field activities
- Tie initiatives to strategy/expectations
- Technical, operational, and systems architecture
- Manage SES cadre as corporate assets
- **Establish Corporate Board for corporate mission** Workforce



lanagement and Process Changes Field Roles

- Effect corporate planning & strategy
- Execute to corporate standards
- Maintain professional expertise & technical competence over respective market sector
- Participate in corporate strategy and standards setting
- Negotiate expectations with customers
- Meet corporate expectations
- Maintain workforce proficiencies and competence
- Identify resource requirements
- Prioritize & allocate resources





Alignment of HQ Leadership to **DLA 21**

RADM Archer (BG G<mark>onczy*</mark>)

Mr. Baird Mr. Alderman Mr. Hillin Ms. Eaton

Ms.

Chaddick

RADM Stone (RADM Priest*)

Mr. Lotts

Logistics

Operations

J3/J4

Mr. Baillie

Ms. Gallo

Mr. Kenny

Ms. Pettibone

Mr. Bergmann

DIRECTOR (a) CSM VICE DIRECTOR **EXECUTIVE** (DV) DIRECTOR (DE)

LTG Glisson (MG Thompson*) **CSM Turner**

Mr. Thurber (DSS) J1/2

Dr. Bailey Ms. Creek

Information Operations (1-6)

Ms. Arnette

Ms. De

Vincentis

Ms. Knott

Ms. Johnson

Mr. Egan

Financial Operations

Dr. Furiga Mr. Miller

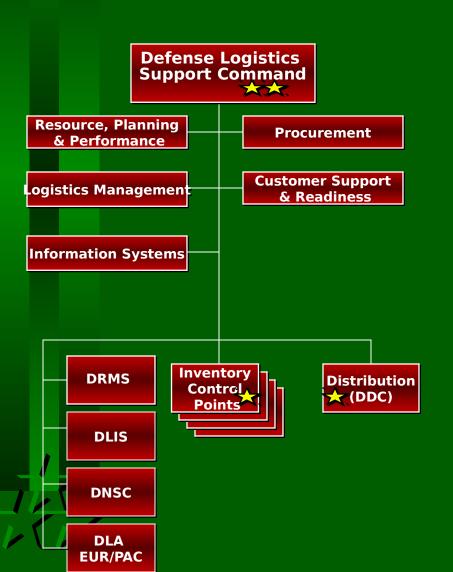
* Mobilization Augment



Logistics Operations

DNSC

TODAY



DLA 21



- OPCON



70LA 21 - Logistics Operations Tenets

- ✓ Future of DLSC as a command is based on DCMC decision
- Focus on Logistic Business/Supply Chain Management/
 Business Modernization
- Retain requirements determination and execution
- Corporate provider for performance measurement
- ✓DLA Readiness Center to link readiness elements & customer interface ...single face to customer
- ✓DEUR/PAC responsible for DLA capability, tasking, mission execution and performance in their respective theaters....
 - All DLA personnel in those theaters are to advise/inform DEUR/PAC of their mission a role change.



Changes



Move Defense Logistics Information Service (DLIS) to Information Operations



Establish DLA Readiness Center by combining CAI & DLSC-C



Internal Review and DORRA move to Business Management



Move physical distribution from Defense National Stockpile Center (DNSC) to Defense Distribution



Move DLSC Information Office Operations

Standup Business Moderniza





Business Management

Supply chain manager/tailored logistics support

Business case rules

IPOM/budget/\$/
ES/high grades

Performance measurement (DORRA/metrics)

Business plan

Input to DLA Strategic Plan

WorkforceDevelopment

Logistics
Policy &
Acquisition
Mgmt
Activity Based
Mgt/ Costing

Policy for • Procurement

•

Engineering/QA

Supply Management

- Distribution
- Disposal
- Sets metrics for each process/policy area

Business Modernization

□ Interface w/IO BSM

Identify functional requirements for BSM

Business processreengineering

Entry point at HQ for BSM Core Team

DLA
Readiness
The6tenter
doctrine
Interface

w/OJCS/ CONUS CINCs

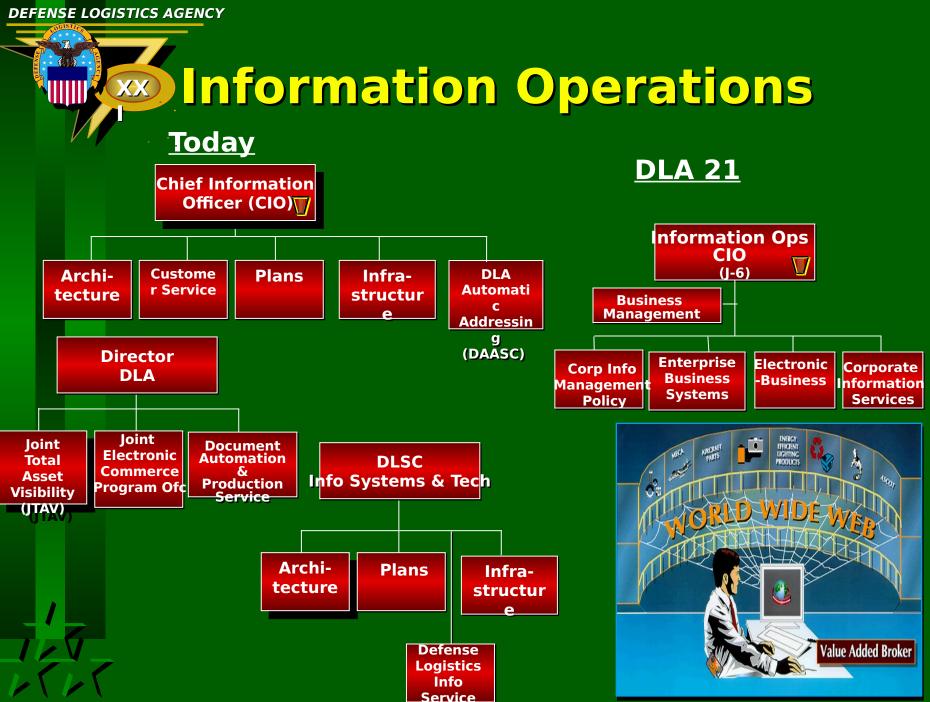
LogisticsReadiness Center& ESOCCONUS

Customer Liaison Officers Reserve

Program
IICIS
Customer

Liaison Representatives Military service

support teams



Tenets



Information Technology is a corporate asset Technical, operational, systems architecture to

discipline actions

Management of procurement of corporate hardware & software enabling for configuration management



Create environment for Business Systems Modernization

Enable virtual enterprise applications

Focus on corporate knowledge management

Establish PEO/PM for information systems

Drive framework & responsibility for DoD Integrated Data Environment

Link information services & business process



Changes

- DLSC-I transfers to Information Operations
- ✓ DPAS/FAS/BSM/LCM/project/program management teams transfer to Enterprise Business Systems
- ✓DLSC Field IT and DSIO report virtually to Corporate Info Services
- JECPO/JTAV/DAPS/DLIS/DAASC are placed under E-Business
- ✓ Requirements determination/POM and execution personnel combined to form Business Office
- ✓Establish CIO Compliance under Corporate Info Management Policy
- ✓Realign Critical Infrastructure Protection under Information Assurance under Corporate Info Management Policy



DLA 21 Information Operations

Information Ops (1-6)

Business Management

Corporate Information Management Policy

- Technical **Architecture**
- (Security) Critical
- Infrastructure **Protection**
- Emerging **Technology**
- Connectivity
- CIO Compliance Accountability Sys

Enterprise Business Systems //

PEO

- Operational & Info Assurance Systems Architecture
 - PMs for all AISs
 - Logistics Community Manager
 - Business Systems Modernization
 - Fuels Automated Sys
 - Defense Property
 - Automatic Identification Technology

E-Business

- Asset Visibility
- (JTAV)
- Document **Automation**
- (DAPS)
- Community
- Data (DLIS)
- Routing (DAASC)
- E-Commerce (JECPO)

Corporate **Info Services**

- HQ LAN Field IT Operations Field
- **Development** Field Maintenanc
- Asset Mgt &
- **Procurement** Infrastructure
- **Architecture**

Will eventually be integrated into an organization consisting of fewer than current 5 boxes

38-Workforce

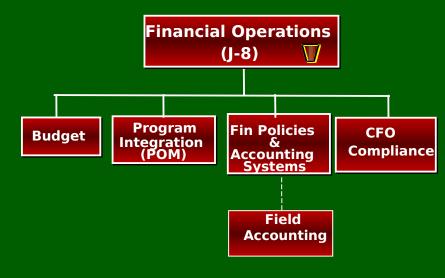


DLA 21 Financial Operations

Today

Comptroller Program/ **Program** Budget Integration Acquisition & Information Financial Policy Systems & **Services Control** Distribution **Financial** & Facilities **Policy Operations** Accounting Supply Operations Systems & Financial **Analysis** Financial **Defense** Property Accounting **Program** ntegration System **Budget** Integration CFO Compliance **Business Sys**

DLA 21





7LA 21 - Financial Operations Tenets

- Financial standards set by FO
- ✓ Field commander retains accountability for requirements submission (to DLSC and FO) and execution
- Financial guidance provided directly to field
- ✓ Logistics Operations/Information Operations/ DLA Support Services identify POM requirements to FO

In Work:

✓ FO Working POM mechanics: developing POM/budget flow chart





Changes

- HQ personnel involved in accounting and reimbursable workload (CAAB, DASC-F, DCMC-B, DLSC-B) transfer to FO
- Field personnel involved in accounting will report virtually to FO
- ✓ DSS/DLSC/Information Operations retain Business Office and personnel to work POM development, budget ar



Command/Staff

Today Corporate **Administrati** dn. **Environment** Public/ Human Resources Congressiona al Affairs **DLA Administrative Support Center** Security Equal Legal Human **Employme** Resources Counsel **Opportunit Director/Deputy** Director Special Staff General Chaplain Small & Counsel Disadvantag ed Business

DLA 21





Command/Staff

Tenets

- Virtual approach to support services
- **Consolidates like functions**
- **Enables field commanders** to focus on core missions vice base operating support
- **Corporate Communications** ...single corporate voice!

Changes

- Disestablishes Corporate Administration. **Functions transfer to Logistics Operations, DLA Support Services, Information Operations** and Financial Operations
- Migrates DLA **Administrative Support Center to DLA Support Services**



V

V

Bottom Line Benefits

Strengthens warfighter support

- ✓ Single face to the customer
- ✓ Recognizes differences and dependencies of supply chains

Enables virtual enterprise by leveraging corporate capabilities

- ✓ Information Services
- ✓ Finance/Accounting
- Support Services

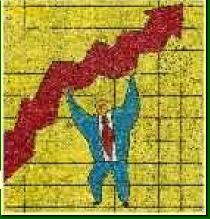
Achieves true business integration

- ✓ Focuses resources on supply chain management and information technology

 Combines like functions
 - **✓** Customer service and readiness support
 - ✓Information Technology

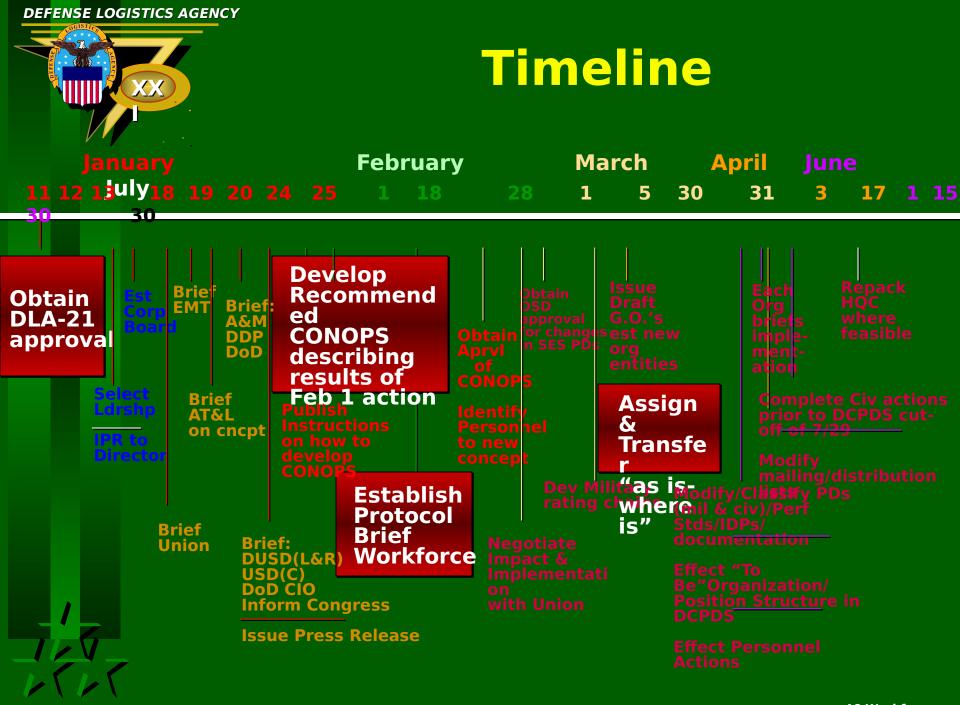
Improves command, control and communication Capitalizes on use of information technology and attains synergy

- Aligns Agency for Business Systems Modernization and corporate focus
- ✓Positions to be DoD integrated data





- ✓ Vice Director and Executive Director Lead Implementation...Process owners execute
- Weekly in-process reviews (IPRs) to the Corporate Board
- Build concept of operations
- Identify personnel to new construct (in accordance with personnel rules and entitlements)...transfer of function
- Issue General Orders
- Assign and transfer "as-is-where-is"
- Modify & classify position descriptions performance standards, & individual development plans
- Effect personnel actions





Summary

- Greater results require greater changes
- The success of our military forces on the 21st Century battlefield depends on us. Our legacy will be DLA 21
- If we're not on the right track, we'll be history!

Don't know all the answers but asking the right questions!

Must change!



Quality Of Life Issues

CDC

Health Clinic

Cafeteria

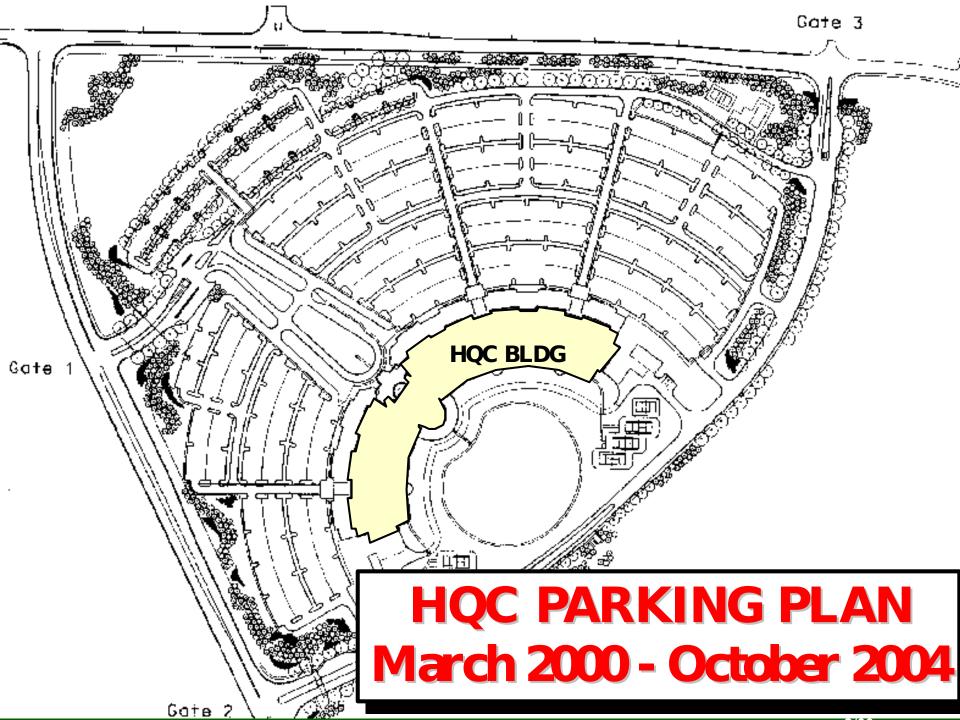
Fitness Center

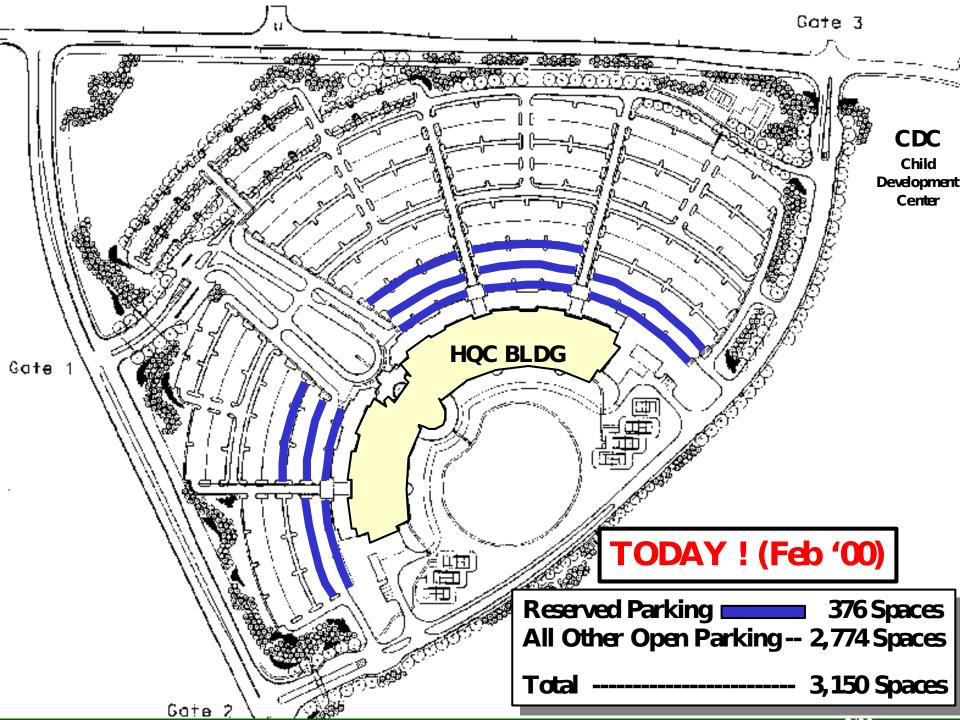
FAP

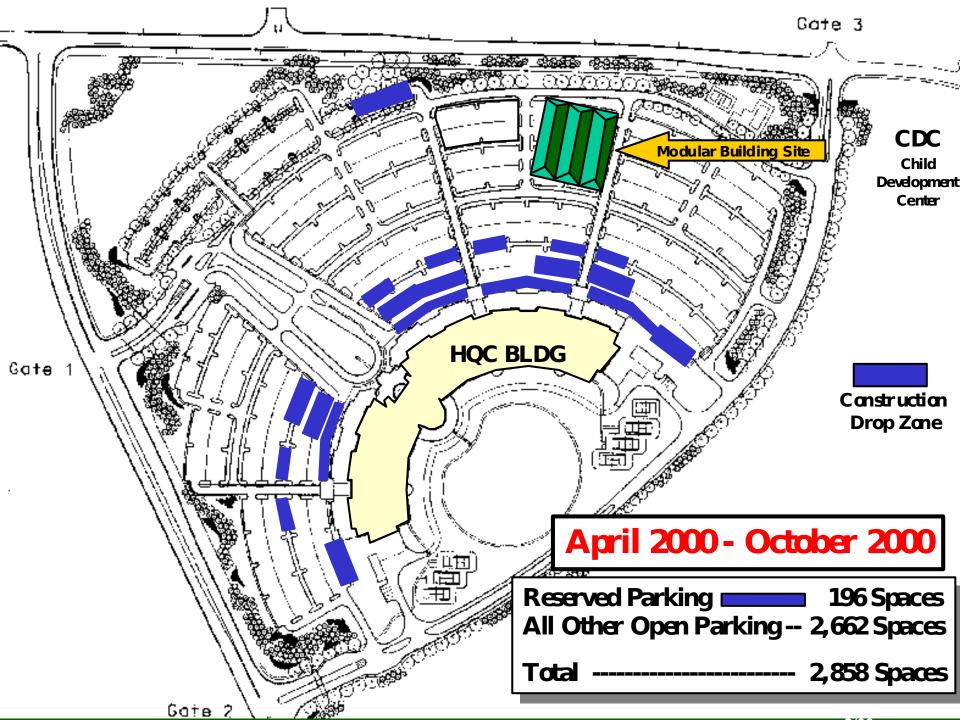
Wellness Programs

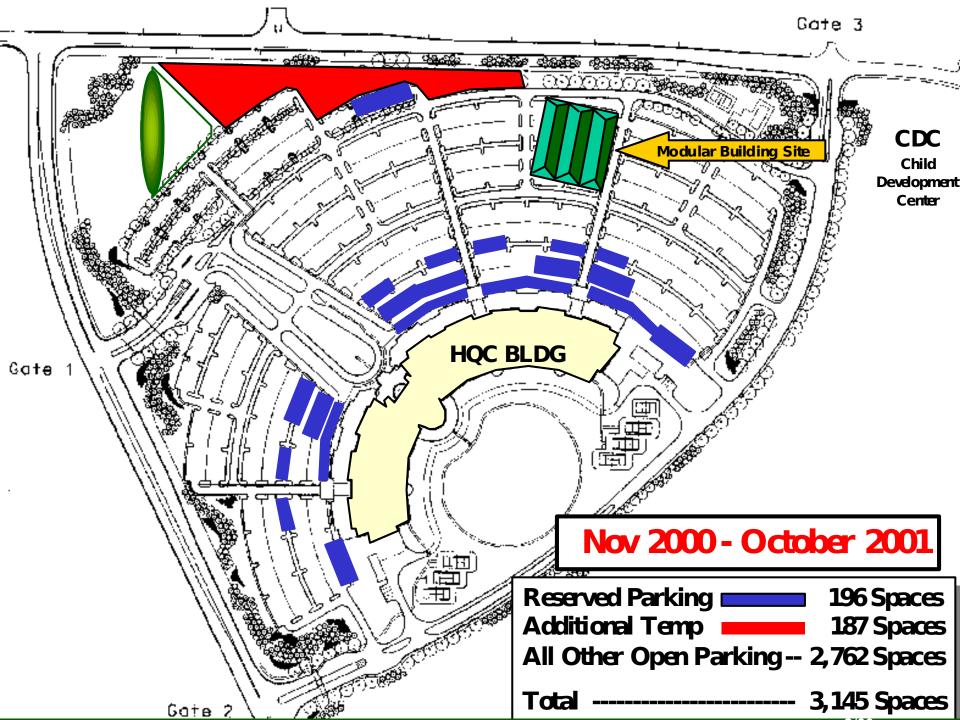
Panking

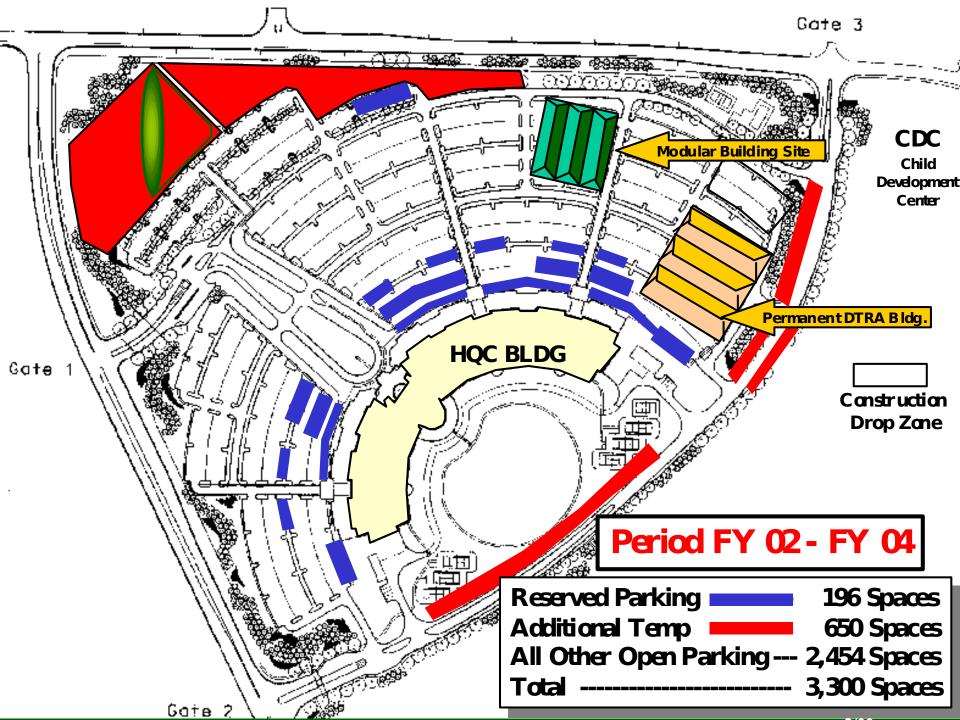
Rearranging
Building

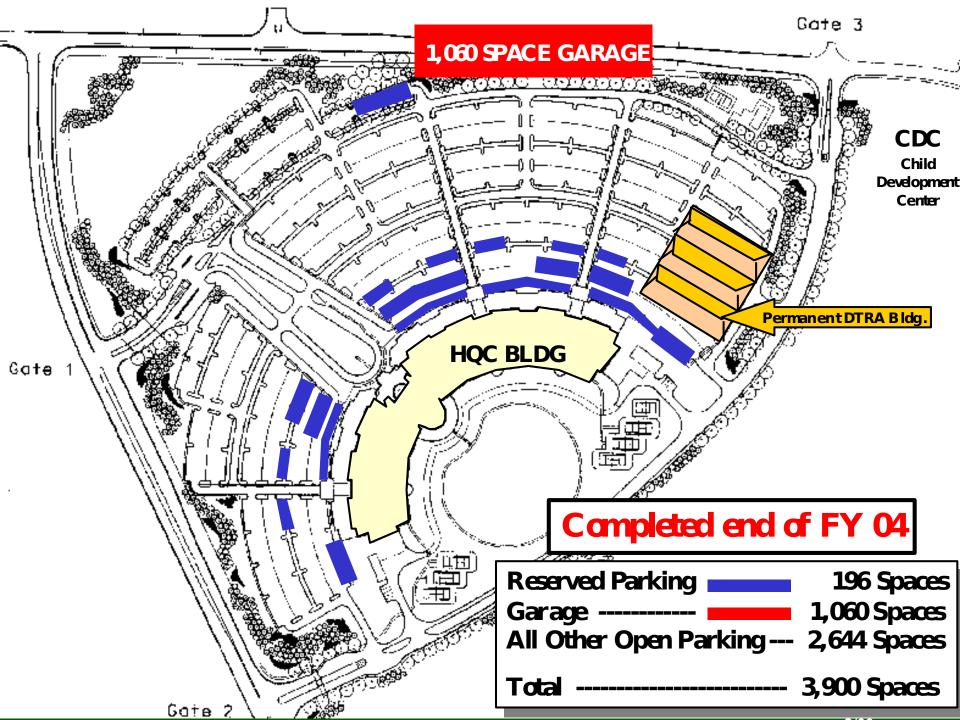




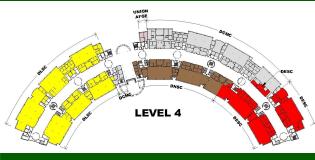


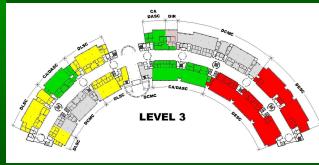


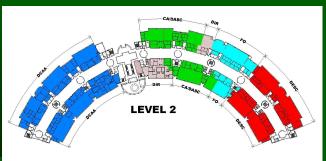




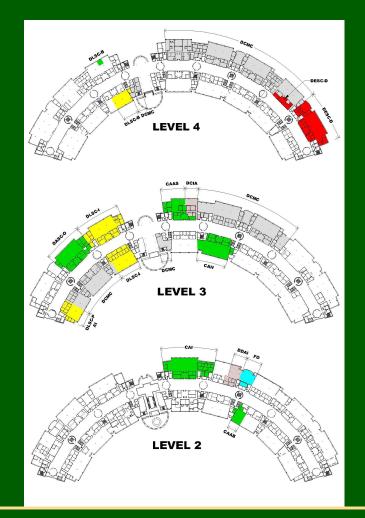
DLA HQC AS-IS





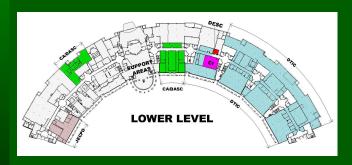


DLA 21 MOVEMENTS

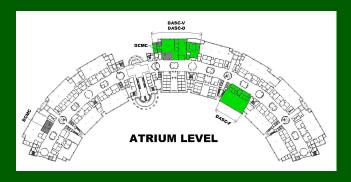


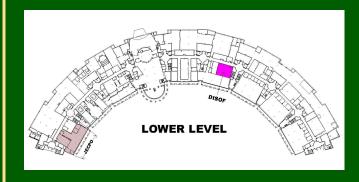
DLA HQC AS-IS



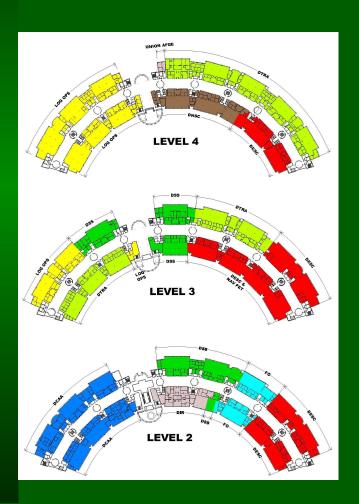


DLA 21 MOVEMENTS





DLA 21



DLA 21



